

SELLER-CARRIED PROMISSORY NOTE SECURED BY FIRST DEED OF TRUST

This Promissory Note is intended to be a legal and binding contract.
If it is not understood, seek competent legal advice before signing.

1 **FOR VALUE RECEIVED,** _____ (“Maker”) promise(s) to pay to the order of
2 _____, (“Holder”), at such place designated herein, at the time and in the manner provided herein, the sum of
3 _____ (\$ _____) (“Principal Balance”), together with interest as provided herein.

4 **Section 1. PAYMENT OF PRINCIPAL BALANCE:** The Principal Balance shall be paid in monthly installments of principal and interest, based on a
5 (select one):

- 6 30-year amortization;
- 7 25-year amortization;
- 8 20-year amortization;
- 9 Other (specify) _____.

10 **Section 2. INTEREST RATE; SCHEDULED PAYMENT DATES:** Interest on the Principal Balance shall accrue at the rate of _____% per annum
11 from the Closing Date identified in the Real Estate Sale Agreement (“Sale Agreement”) between the parties and shall be paid in monthly installments
12 of not less than \$ _____ principal including interest (“Installment” or “Installments”), with the first Installment due on the first day of
13 _____ and subsequent Installments due on the first day of each month thereafter until paid in full. All payments shall be applied first
14 toward interest to the date of payment and the remainder to principal.

15 **Section 3. LATE CHARGE: (Check here if applicable. If box left blank, no charge will be assessed on any late Installments.):** A late charge
16 of 5.00% of the unpaid Installment will be automatically assessed for any Installment not received by Holder or Holder’s designee by the 15th day of
17 the month; said late charge shall be promptly paid to Holder, or Holder’s designee, with no further notice, but in no event later than the first day of the
18 following month. Acceptance of payment of a late charge shall not constitute a waiver of any past, present, or future events of default as described
19 in Section 8, below.

20 **Section 4. MATURITY DATE:** The unpaid Principal Balance, accrued unpaid interest, and all other sums due under this Promissory Note and
21 accompanying Deed of Trust shall be paid in full, on or before _____.

22 **Section 5. PREPAYMENT:** Maker may prepay some or all of the Principal Balance at any time without penalty. However, any such prepayments
23 shall not excuse Maker from paying the regular monthly Installments or other sums due under this Promissory Note and accompanying Deed of Trust,
24 until the Principal Balance has been paid in full.

25 **Section 6. PLACE OF PAYMENTS:** All Installments and other sums specified in the accompanying Deed of Trust shall be paid to (select one):

- 26 Holder at: _____
- 27 Collection Escrow (identify): _____ at _____
28 _____ . Holder and Maker covenant to timely execute all instructions necessary or convenient for the Collection
29 Escrow to perform its services. In the event the terms of payment, application of principal, interest, late fees, or other provisions relating to any
30 payments made pursuant to this Note or the accompanying Deed of Trust materially differ from the instructions signed by the parties with the
31 Collection Escrow, the latter shall prevail over this Promissory Note or accompanying Deed of Trust.
- 32 Other (identify): _____ at _____
33 _____.

34 All Payments are deemed received when received at the above address/account or such other address/account as provided by one party to the
35 other.

36 **Section 7. OTHER PAYMENT PROVISIONS:**

37 _____
38 _____
39 _____ (Use Addendum if necessary)

Maker Initials ____ / ____ Date _____

Holder Initials ____ / ____ Date _____

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40 **Section 8. EVENTS OF DEFAULT:** Time is of the essence of this Promissory Note and accompanying Deed of Trust. A default shall occur under
41 any of the following circumstances:

42 **8.1 TEN-DAY GRACE PERIOD:** If Maker fails to pay any Installment or other payment due under this Promissory Note or accompanying Deed of
43 Trust following ten (10) days written demand from Holder issued after its due date.

44 **8.2 THIRTY-DAY GRACE PERIOD:** If Maker fails to perform any other obligation contained in this Promissory Note or accompanying Deed of Trust
45 within thirty (30) days after written notice from Holder specifying the nature of the default and what is necessary to cure. If the cure cannot reasonably
46 be completed by Maker within such 30-day period through the exercise of reasonable diligence, the failure by Maker to commence the required cure
47 within such 30-day period and thereafter to continue the cure with diligence and to complete the cure within ninety (90) days following said written
48 notice from Holder shall constitute a default.

49 **8.3 BANKRUPTCY; INSOLVENCY:** The commencement by Maker of a voluntary case under the federal bankruptcy laws or under other federal or
50 state law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Maker in an involuntary case under the federal
51 bankruptcy laws or under any other applicable federal or state law relating to insolvency or debtor's relief; the appointment of, or consent by Maker,
52 to the appointment of a receiver, trustee, or custodian of Maker or of any of Maker's property; an assignment for the benefit of creditors by Maker, or
53 Maker's failure generally to pay debts as such debts become due.

54 **8.4 BREACH OF DEED OF TRUST:** Violation of terms, covenants, or conditions of the accompanying Deed of Trust.

55 **Section 9. REMEDIES ON DEFAULT:** In the event of a default, Holder may take any one or more of the following steps:

56 **9.1 ACCELERATION:** Declare the entire balance of the principal and accrued interest, together with all other remaining sums under this Promissory
57 Note and accompanying Deed of Trust, immediately due and payable.

58 **9.2 FORECLOSURE:** With respect to all or any part of the Property identified in the accompanying Deed of Trust, the Trustee shall have the right to
59 foreclose by notice and sale or to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by Oregon law.

60 **9.3 OTHER REMEDIES:** Notwithstanding the preceding, Holder may exercise any and all other remedies available under Oregon law.

61 **Section 10. ATTORNEYS' FEES:** Subject to Maker's rights under Oregon trust deed law, if any litigation or arbitration is brought to enforce or
62 interpret any of the terms of this Promissory Note or accompanying Deed of Trust, or if suit or action is instituted in a Bankruptcy Court for a United
63 States District Court to seek relief from an automatic stay, to obtain adequate protection, or to otherwise assert the interest of Holder in a bankruptcy
64 proceeding, the party not prevailing shall pay the prevailing party's attorney fees, costs and disbursements upon hearing, trial and any appeal
65 therefrom.

66 **Section 11. SEVERABILITY:** If any provision of this Promissory Note is found by a court of competent jurisdiction to be invalid or unenforceable as
67 written, the parties agree such provision shall not affect the validity and enforceability of the remainder of this Note.

68 **Section 12. MAKER WARRANTY AND REPRESENTATION:** Maker warrants and represents to Holder this transaction is (select one): For
69 business purposes only; For personal, consumer, residential or household purposes. (If left blank the purpose shall be deemed to be for personal,
70 consumer, residential or household purpose.) The preceding warranty and representation shall constitute a conclusive presumption for purposes of
71 interpretation and enforcement of this Promissory Note and accompanying Deed of Trust.

72 **Section 13. WAIVERS; JOINT AND SEVERAL LIABILITY:** Maker and all sureties, without affecting their liability hereunder, hereby (a) waive
73 diligence, presentment, protest, and demand, and (b) waive notice of protest of demand, of nonpayment, of dishonor, and of maturity. If more than
74 one Maker, each agree they each shall be jointly and severally liable for full payment of this Note, and agree to pay the full amount of the principal
75 and interest of the indebtedness evidenced hereby.

76 **Section 14. ACKNOWLEDGMENT:** Maker and Holder hereby acknowledge: (a) They were given an opportunity to either use this Promissory Note
77 and accompanying Deed of Trust forms provided by their respective real estate agents, or have the forms prepared by one or more attorneys of their
78 choice; (b) By providing these forms, neither the agents nor the forms provider, Oregon Real Estate Forms, LLC, are engaging in the practice of law;
79 (c) They have elected to use these forms and have had a reasonable opportunity to have them reviewed by attorneys of their choice; (d) Their
80 respective real estate agents have not rendered any advice or recommendations regarding the specific financial or credit terms of this transaction;
81 (e) They are satisfied with, and understand, the terms contained in these forms; and (f) This Promissory Note and accompanying Deed of Trust shall

Maker Initials ____ / ____ Date _____

Holder Initials ____ / ____ Date _____

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82 not be construed more strictly against any one party. Your Maker's and Holder's Agents are not licensed to practice law in Oregon. Accordingly, they
 83 may not complete this legal form, and may not advise on its legal effect. Maker and Holder should secure their own separate legal counsel when
 84 filling out this form.

85 IN WITNESS WHEREOF, the parties have caused this Promissory Note to be executed below, and it shall become effective as of the date and time
 86 of the last party to sign.

87 Maker _____ Date _____ a.m. _____ p.m. ←

88 Maker _____ Date _____ a.m. _____ p.m. ←

89 Holder _____ Date _____ a.m. _____ p.m. ←

90 Holder _____ Date _____ a.m. _____ p.m. ←

SAMPLE